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Governor

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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

### Division of Oil, Gas & Mining

MICHAEL R. STYLER  
Executive Director

JOHN R. BAZA  
Division Director

### Inspection Report

#### Minerals Regulatory Program

Report Date: October 31, 2006

Supervisor 1027

**Mine Name:** Bonanza

**Operator Name:** American Gilsonite

**Permit number:** M0470010

**Inspection Date:** October 31, 2006

**Time:** 8:00-9:00 AM

**Inspector(s):** Paul Baker

**Other Participants:** Jared Jackson (American Gilsonite)

**Mine Status:** Active

**Weather:** Clear, 40's

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages / Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Concurrent Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Water Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Air Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Other	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

#### Purpose of Inspection:

The purpose of the inspection was to look at a few of the facilities that were neglected in a previous inspection and to determine the status and condition of these facilities.

#### Inspection Summary:

##### 1. Permits, Revisions, Transfer, Bonds

The Division is in the process of reviewing the operator's reclamation surety. Facilities at or proposed for sites E-32 and WH-18 will be added to the surety. Mr. Jackson said American Gilsonite will want to open facilities at WH-19 and E-33 within about the next year, and I suggested that they be added to the bond now so no adjustment is necessary so soon.

##### 12. Other

Site B-14 was originally constructed prior to 1975, but the site has been used since that time to pump water from the mine. It is located near B-28 not far west of the town of Bonanza. There are some footings that need to be disposed of, and it will need a cap.

B-28 is a little to the west of B-14. It is shown in Photos 3 and 4. There are two openings that will need to be closed. One is about two feet in diameter, and the other is about five feet.

E-21 is an old trash disposal area that has apparently not been used in several years, but it is carried on the reclamation surety. It consists of a metal and plank structure across an open Gilsonite vein (Photos 5 and 6)

Inspection Date: October 31, 2006; Report Date: October 31, 2006

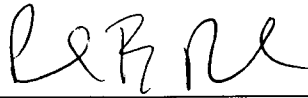
Page 2 of 2

M0470010

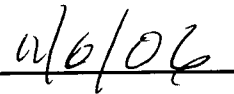
**Conclusions and Recommendations:**

Mr. Jackson expressed concern about reclamation of E-21. Although the structure has been used for disposing of trash, the operator does not want to be responsible for reclamation of the entire open vein. I will recommend that reclamation include simply getting rid of the structure and ensuring the fence is secure.

Inspector's Signature



Date:



PBB:pb

cc: Jared Jackson, American Gilsonite  
Stan Perkes, Utah BLM  
Pete Sokolosky, Vernal BLM

Attachment: Photos



## ATTACHMENT

### Photographs

M0470010, Bonanza Mine, American Gilsonite

Inspection Dated: October 31, 2006; Report Dated: October 31, 2006



Photo 1. B-14.



Photo 2. Another view of B-14.



Photo 3. This is a portion of B-28. Under the grate is an opening about two feet in diameter.

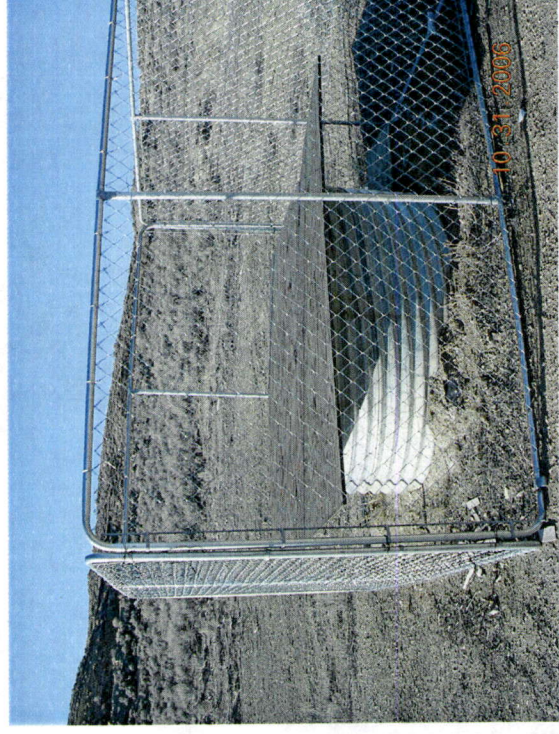
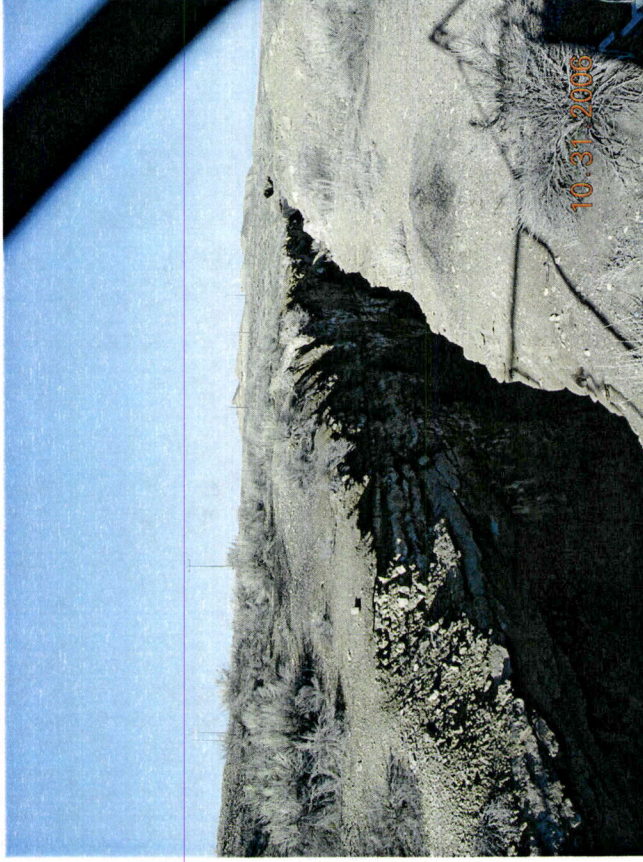


Photo 4. This is also part of B-28.





**Photo 5. The structure over the trench at E-21. Trucks carrying trash would back up onto this structure and dump the garbage.**



**Photo 6. The open trench at E-21.**